



## Pebble Beach v. Tour 18: No Mulligans Allowed

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## CASE NOTES AND COMMENTS

### ***PEBBLE BEACH v. TOUR 18: NO MULLIGANS ALLOWED***

#### I. INTRODUCTION

Service marks and trade dress are protected under the Lanham Act.<sup>1</sup> Having a protectable service mark or trade dress gives the owner a great deal of exclusive power over their particular mark or trade dress. *Pebble Beach v. Tour 18* is the most recent in a long line of cases where a court has to determine if an entity's use of registered service mark or trade dress is likely to cause consumer confusion. In this case, the court gave a very broad meaning to the doctrine of the likelihood of confusion. The court applied the likelihood of confusion test to include a likelihood of confusion as to permission, even with the presence of disclaimers. The court also examined trade dress in the context of golf course designs. Here the court decided that if a particular hole design was distinctive in its own right, as apart from the golf course design as a whole, it could receive protection.

#### II. PEBBLE BEACH COMPANY V. TOUR 18 I, LTD.<sup>2</sup>

##### *A. Facts*

In the late 1980's, three men from Texas decided to build a public golf course in the Houston area.<sup>3</sup> Knowing that well-designed holes

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1. 15 U.S.C. § 1125(a) (1992).

2. *Pebble Beach Co. v. Tour 18 I, Ltd.* 942 F. Supp. 1513 (S.D. Tex. 1996).

3. *Id.* at 1531-1532.

were the key to success, they decided to replicate golf holes from some of the most famous and challenging golf courses around the country.<sup>4</sup> The name "Tour 18" was chosen for the course in order to stay consistent with the owners' theme.<sup>5</sup> In selecting which holes to replicate, criteria such as the fame of the course, the fame of the hole itself, and the ability to replicate the hole considering the land conditions of the proposed site were considered.<sup>6</sup> Among the eighteen holes chosen to be part of Tour 18 were Hole Fourteen at Pebble Beach Golf Links, Hole Three at Pinehurst No. 2, and Hole Eighteen at Harbour Town Golf Links.<sup>7</sup> The respective owners of these three golf courses are the plaintiffs in this case.

The owners of Tour 18 copied the plaintiffs' golf hole designs so that the layout of the original hole and its replication in Humble, Texas, were nearly identical.<sup>8</sup> However, the owners of Tour 18 did not limit themselves to the use of the famous hole designs. They also used the service marks of golf courses from which they copied hole designs.<sup>9</sup> The service marks, "Pebble Beach", "Pinehurst", and "Harbour Town" were used in conjunction with the name Tour 18.<sup>10</sup> Tour 18 used the plaintiffs' service marks on each of the holes to inform golfers which replication they were playing.<sup>11</sup> In addition to signs at each of the holes, Tour 18 used the plaintiffs' service marks in their advertisements.<sup>12</sup> Tour 18 advertised in golf magazines throughout Texas and around the nation.<sup>13</sup> In these advertisements, the plaintiffs' service marks were displayed along with the Tour 18 name.<sup>14</sup> Tour 18 also used the plaintiffs' service marks on the scorecards and yardage guides given to players when they paid for a round of golf.<sup>15</sup> Finally, Tour 18 used the plaintiffs' service marks on

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4. *Id.* at 1532.

5. *Id.*

6. *Id.* at 1532.

7. *Id.*

8. *Id.* at 1533.

9. *Id.*

10. *Id.*

11. *Id.* at 1534.

12. *Id.* at 1533.

13. *Id.*

14. *Id.* at 1533.

15. *Id.* at 1534.

the menu of the “Inn on the Tour” restaurant.<sup>16</sup> Golfers who ate at Inn on the Tour could order such things as “Pebble Beach” French Toast, “The Harbour Town” hamburger, or “The Pinehurst” tuna salad.<sup>17</sup> Tour 18 used the plaintiffs’ service marks almost as often as they used their own name.

The extent to which the court ruled that Tour 18 violated the rights of the plaintiffs differed for each plaintiff. It is therefore necessary to distinguish between the three plaintiffs. First, there is Pebble Beach Golf Links (“Pebble Beach”), located in Del Monte Forest, California. Pebble Beach is considered one of the most beautiful and challenging golf courses in the world.<sup>18</sup> Because of the course’s fame and exclusive reputation, Tour 18 copied hole fourteen from the Pebble Beach Golf Links course.<sup>19</sup> It is important to note that Pebble Beach does not feature hole fourteen in any of its advertising materials.<sup>20</sup> Pebble Beach does not own a trademark, copyright, or patent for the design of hole fourteen.<sup>21</sup> However, Pebble Beach does own an incontestable service mark for golfing services under the name “Pebble Beach”.<sup>22</sup>

The second plaintiff is Resorts. Resorts owns and operates seven golf courses in Pinehurst, North Carolina under the name Pinehurst.<sup>23</sup> Like Pebble Beach, Pinehurst No. 2 is regarded as one of the most challenging golf courses in the country.<sup>24</sup> Tour 18 included a replica of hole three from Pinehurst No. 2.<sup>25</sup> Although Pinehurst promotes its course extensively, it does not include any photographs of hole three in its advertisements.<sup>26</sup> While Pinehurst does not hold a

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16. *Id.* at 1534.

17. *Id.*

18. *Id.* at 1527.

19. *Id.* at 1528.

20. *Id.*

21. *Id.*

22. *Id.* at 1528; 15 U.S.C. § 1065 (1996) allows for a registered service mark to be deemed incontestable after it has been used in commerce for five consecutive years. Once a mark is deemed incontestable it is subject only to seven defenses outlined in § 1115(b).

23. *Pebble Beach*, 942 F. Supp. at 1528.

24. *Id.* at 1529.

25. *Id.*

26. *Id.*

trademark, copyright, or patent for the design of hole three,<sup>27</sup> it does own a registered service mark for the name “Pinehurst.”<sup>28</sup> The service mark, however, is not incontestable.<sup>29</sup>

The final plaintiff is the Sea Pines Company (“Sea Pines”). Sea Pines owns Harbour Town Golf Links (“Harbour Town”). Like the other two golf courses, Harbour Town is famous in the golfing world. Tour 18 copied hole eighteen from Harbour Town.<sup>30</sup> Unlike the other two plaintiffs, hole eighteen is featured in all of the advertising materials for Harbour Town.<sup>31</sup> Harbour Town’s hole eighteen is well known mainly because of a lighthouse that provides the hole’s backdrop.<sup>32</sup> The lighthouse is often shown on television during professional golf tournaments, and evidence at trial indicated that much of the course’s fame stems from golfers who associate the course with the lighthouse.<sup>33</sup> Tour 18 capitalized on this by constructing a lighthouse on its version of Harbour Town hole eighteen.<sup>34</sup> The Tour 18 version of the lighthouse was very realistic and nearly identical to Harbour Town’s lighthouse.<sup>35</sup> Neither the design of hole eighteen nor the design of the lighthouse are protected by trademark, copyright, or patent law.<sup>36</sup> Additionally, Sea Pines does not own a federal registration for the service mark “Harbour Town.”<sup>37</sup> Sea Pines did, however, obtain federal trademark and service mark registrations for the lighthouse logo.<sup>38</sup>

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27. *Id.* at 1529-1530.

28. *Id.* at 1529.

29. *Id.*

30. *Id.* at 1530.

31. *Id.* at 1531.

32. *Id.*

33. *Id.* at 1530.

34. *Id.*

35. *Id.* at 1544.

36. *Id.* at 1531.

37. *Id.*

38. *Id.* These registrations allowed Sea Pines exclusive use of the lighthouse logo for such things as golf balls, golf equipment, novelty items, real estate services, and resort hotel services.

### B. Procedural History

The case was brought and tried before the District Court for the Southern District of Texas, on October 31, 1995.<sup>39</sup> Final post-trial submissions were filed by January 11, 1996.<sup>40</sup> An amended order and final judgement were delivered on November 6, 1996.<sup>41</sup>

## III. LEGAL ANALYSIS

The plaintiffs alleged that Tour 18's replication of their golf hole designs and use of their service marks violate various state and federal laws.<sup>42</sup> The plaintiffs' federal claims included service mark infringement, trade dress infringement, unfair competition, and false advertising under the Lanham Act.<sup>43</sup> Under Texas common law, the plaintiffs brought claims for unfair competition, conversion, civil conspiracy, service mark infringement, and trade dress dilution.<sup>44</sup>

### A. Service Mark Infringement and Unfair Competition

All three plaintiffs brought service mark infringement and unfair competition claims in violation of the Lanham Act (the "Act"). The plaintiffs claim that Tour 18's use of the terms "Pebble Beach," "Pinehurst," and "Harbour Town," as well as its use of the lighthouse violated their rights under sections 32(1) and 43(a) of the Act.<sup>45</sup> Claims based on infringement of federally registered service marks are covered under section 32(1) of the Act.<sup>46</sup> Claims based on

39. *Pebble Beach*, 942 F. Supp. at 1526.

40. *Id.*

41. *Id.* at 1513.

42. *Id.* at 1526.

43. 15 U.S.C. § 1125(a) (1992).

44. *Pebble Beach*, 942 F.Supp. At 1526.

45. *Id.* at 1536. 15 U.S.C. §§ 1114(1), 1125(a) (1992).

46. Section 32(1) of the Lanham Act provides:

Any person who shall, without consent of the registrant- (a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to

infringement of unregistered marks and unfair competition are covered under section 43(a) of the Act.<sup>47</sup>

In order to succeed under a section 32(1) or 43(a) claim, the registrant must first establish that its mark is valid and worthy of protection, and second, that the defendant's use of the mark is likely to cause consumer confusion.<sup>48</sup>

The first determination courts must make in analyzing any infringement problem is whether the plaintiff's mark is strong enough to warrant protection.<sup>49</sup> In making this determination, the court puts

cause confusion, or to cause mistake, or to deceive; or (b) reproduce, counterfeit, copy, or colorable imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive. shall be liable in a civil action by the registrant for the remedies hereinafter provided.

15 U.S.C. § 1114(1) (1996).

47. Section 43(a) of the Lanham Act provides in relevant part:

Any person who, on or in connection with any goods or services... uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which- (a) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person... shall be liable in a civil action by any person who believes that he or she is likely to be damaged by such act.

15 U.S.C. §1125(a) (1996).

48. See *Boston Professional Hockey Association, Inc. v. Dallas Cap & Emblem Mfg., Inc.*, 510 F.2d 1004, 1009-10 (5th Cir. 1975) (holding that plaintiff must establish, first, that its mark is valid, and second, that the defendant's use of the mark is likely to cause confusion. A defendant is then liable for infringement if he uses (1) any reproduction, counterfeit, copy or colorable imitation of the mark; (2) without the registrant's consent; (3) in commerce; (4) in connection with the sale, offering for sale, distribution or advertising of any goods; (5) where such use is likely to cause confusion or to cause mistake or to deceive).

49. *Pebble Beach*, 942 F. Supp. at 1536.

the mark into one of four categories.<sup>50</sup> A mark will either be deemed generic, descriptive, suggestive, or fanciful or arbitrary.<sup>51</sup> Generic marks can never receive trademark or service mark protection.<sup>52</sup> Marks which are descriptive do not receive protection initially, but can obtain protection upon a showing of secondary meaning.<sup>53</sup> Suggestive, fanciful, or arbitrary marks are immediately protectable and do not need a showing of secondary meaning.<sup>54</sup>

Pebble Beach owned an incontestable service mark.<sup>55</sup> When marks are used in commerce for five consecutive years, they are considered incontestable and subject only to certain defenses.<sup>56</sup> Tour 18 asserted that Pebble Beach's mark was descriptive and, therefore, required a showing of secondary meaning.<sup>57</sup> Because the mark is incontestable, it cannot be challenged as lacking secondary meaning.<sup>58</sup> Incontestable marks amount to conclusive evidence of the owner's exclusive right to use the mark for the products or services specified.<sup>59</sup> Based on a showing that its mark was incontestable, the court ruled that Pebble Beach successfully proved that its mark was valid and worthy of protection.<sup>60</sup>

Because the service mark for Pinehurst was not incontestable,

50. See *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976) (the classes of marks in ascending order of protection are: (1) generic, (2) descriptive, (3) suggestive, and (4) fanciful or arbitrary; marks which are generic can never get trademark protection, descriptive marks do not initially receive protection but can acquire it upon a showing of secondary meaning, and suggestive, fanciful, and arbitrary marks are protectable even absent a showing of secondary meaning).

51. *Pebble Beach*, 942 F. Supp. at 9.

52. *Pebble Beach*, 942 F. Supp. at 1537.

53. *Id.*

54. *Id.*

55. *Id.* at 1528.

56. *Id.* (citing 15 U.S.C. § 1065 (1996)).

57. *Pebble Beach*, 942 F. Supp. at 1537.

58. *Id.* See also, *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1184 (5th Cir. 1980) (an incontestable mark cannot be challenged as lacking secondary meaning; such marks are conclusively presumed to be nondescriptive or to have acquired secondary meaning).

59. *Pebble Beach*, 942 F. Supp. at 1537 (citing 15 U.S.C. §§ 1052(a), 1115(a) (1996)).

60. *Pebble Beach*, 942 F. Supp. at 1537.



Resorts faced a higher burden than that of Pebble Beach.<sup>61</sup> The fact that Pinehurst registered its service mark is important because registration of a mark invokes a statutory presumption that the mark is both valid and protectable.<sup>62</sup> However, because the service mark was not incontestable, Resorts was required to show that the mark was either arbitrary or that it was descriptive but had acquired secondary meaning.<sup>63</sup> Tour 18 argued that “Pinehurst” was geographically descriptive and required a showing of secondary meaning.<sup>64</sup> The court rejected this argument and held that the mark was arbitrary.<sup>65</sup> Pinehurst was considered to be a valid service mark worthy of protection.<sup>66</sup>

Sea Pines, the owner of the Harbour Town service mark, faced an even greater burden than Pebble Beach and Resorts because Harbour Town was not a registered service mark.<sup>67</sup> The mark “Harbour Town” could still be protected under §43(a) of the Lanham Act if Sea Pines could show that its mark was either inherently distinctive or had acquired secondary meaning.<sup>68</sup> Tour 18 argued that the mark “Harbour Town” was geographically descriptive.<sup>69</sup> As with the

61. *Id.* at 1537-38.

62. 15 U.S.C. § 1115(a) (1996) provides in pertinent part: “Any registration issued under the Act, or of a mark registered on the principal register and owned by a party to an action shall be admissible in evidence and shall be prima facie evidence of the validity of the registered and of the registration of the mark...”

63. *Pebble Beach*, 942 F. Supp. at 1537.

64. *Id.* at 1538. A mark is geographically descriptive if it describes to consumers the geographic origin of the goods or services rather than the source of the goods or services. *Burke-Parsons-Bowlby Corp. v. Appalachian Log Homes, Inc.*, 871 F.2d 590, 594 (6th Cir. 1989).

65. *Pebble Beach*, 942 F. Supp. at 1539. The court went on to rule that even if Pinehurst was descriptive, their extensive advertising and fame among golfers equaled the requisite showing of secondary meaning. In making this finding of secondary meaning, the court looked at such factors as the length and manner of the use of the mark, the extent of advertising and promotion of the mark, and the defendant’s intent in copying the mark. The court considered the fact that Tour 18 intentionally copied the Pinehurst mark in attempt to capitalize on the established goodwill associated with the name “Pinehurst” in justifying its finding of secondary meaning.

66. *Id.*

67. *Id.*

68. *See supra* note 50 and accompanying text.

69. *Pebble Beach*, 942 F. Supp. at 1539.

Pinehurst mark, the court rejected this argument and held that Harbour Town was an arbitrary mark.<sup>70</sup> The court looked, in part, to the intent of Harbour Town owners in developing their service mark.<sup>71</sup> Although not required by the court, Harbour Town also made a showing that its mark had acquired secondary meaning.<sup>72</sup> The court looked to the same factors it applied to the Pinehurst mark to justify a finding of secondary meaning.<sup>73</sup> The mark “Harbour Town” was arbitrary, and it had acquired secondary meaning. Based on these two facts, the court ruled that the mark was valid and worthy of protection.<sup>74</sup>

The owners of the Harbour Town mark also sought protection for the lighthouse that is displayed on hole eighteen because the lighthouse logo is used in Harbour Town’s advertisements for golfing services.<sup>75</sup> Tour 18 argued that Sea Pines abandoned the mark when it began to use a Compass Rose as its corporate logo in the 1980’s.<sup>76</sup> Abandonment, as defined in Section 1127 of the Act, is generally asserted by a defendant as an affirmative defense.<sup>77</sup> The court found that although Sea Pines did adopt the Compass Rose as its corporate logo, the company still continued to use the lighthouse logo on other products and services.<sup>78</sup> The court rejected Tour 18’s abandonment argument.<sup>79</sup>

By proving that the lighthouse had acquired a strong secondary meaning, Sea Pines successfully demonstrated that the lighthouse

70. *Pebble Beach*, 942 F. Supp. at 1539.

71. *Id.* at 1539; the court reasoned that the mark was arbitrary and chosen by the owners to designate their goods and services. The court went on to argue that the mark has always been associated with Harbour Town and its golf course services.

72. *Pebble Beach*, 942 F. Supp. at 1540.

73. *See supra* note 65 at 1539. The court specifically looked to the extensive promotion of the name “Harbour Town” in addition to the number of professional golf tournaments held at the Harbour Town golf course. The court also considered the frequency and manner in which the Harbour Town name and logo were displayed in advertising brochures along with the fact that the defendant intentionally copied the mark.

74. *Pebble Beach*, 942 F. Supp. at 1540.

75. *Id.*

76. *Id.*

77. *See*, 15 U.S.C. §1127 (1992).

78. *Pebble Beach*, 942 F. Supp. at 1540.

79. *Id.* at 1540-41.

logo was a valid and enforceable service mark. The strong secondary meaning was evidenced by the fact that in almost all Harbour Town advertisements, the lighthouse logo was depicted.<sup>80</sup> In addition, televised professional golf tournaments always showed the lighthouse when showing hole eighteen.<sup>81</sup> Furthermore, Sea Pines's Harbour Town hole eighteen became known by the nickname, the "lighthouse hole," and golfers associate the presence of the lighthouse as a part of Harbour Town.<sup>82</sup> These factors convinced the court that the lighthouse logo was entitled to service mark protection under section 43(a) of the Lanham Act.<sup>83</sup>

With respect to the first element of the test establishing service mark infringement, the court concluded that the names Pebble Beach, Pinehurst and Harbour Town, as well as Harbour Town's lighthouse logo were all valid and enforceable service marks.<sup>84</sup> Having satisfied the first element of the test for infringement, the plaintiffs were then required to show that there was a likelihood of confusion.<sup>85</sup>

Proving likelihood of confusion requires a showing that the defendant's use of a service mark is likely to cause confusion among the relevant class of customers as well as potential customers.<sup>86</sup> Courts have read the likelihood of confusion to encompass a very broad meaning of the term "confusion." Not only do courts include confusion as to products, but also as to sponsorship, affiliation between plaintiff and defendant, and whether the plaintiff has granted the defendant permission to use a particular service mark.<sup>87</sup>

Tour 18 argued that no likelihood of confusion existed because golfers playing golf in Houston would obviously know that they were not playing at Pebble Beach, Pinehurst, or Harbour Town.<sup>88</sup> The

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80. *Id.*

81. *Id.*

82. *Id.* at 1532.

83. 15 U.S.C. §1127 (1992).

84. *Pebble Beach*, 942 F. Supp. at 1537, 1539, 1541.

85. *Id.* at 1541.

86. *Id.*

87. *See*, *Fuji Photo Film v. Shinorhara Shoji Kabushiki Kaisha*, 754 F.2d 591, 596 (5th Cir. 1985); *Nike, Inc. v. "Just Did It" Enterprises*, 6 F.3d 1225, 1228 (7th Cir. 1993); *Jordache Enter., Inc. v. Levi Strauss*, 841 F.Supp. 506, 514-15 (S.D.N.Y. 1993).

88. *Pebble Beach*, 942 F. Supp. at 1541.

court, however, found that Tour 18's interpretation of "likelihood of confusion" was too narrow.<sup>89</sup> The court pointed out that even though golfers would know that they were in Houston, there would still be confusion as to whether the plaintiffs sponsored or gave permission to Tour 18 to use their hole designs and service marks.<sup>90</sup> In analyzing the facts of this case, the court focused on whether Tour 18's use of the plaintiffs' service marks would cause confusion as to affiliation or sponsorship between Tour 18 and the plaintiffs.<sup>91</sup>

In addressing the question of whether a likelihood of confusion exists, courts look to a number of different factors. These factors include: 1) the strength of the plaintiff's mark; 2) the degree of similarity between the marks; 3) the similarity between products or services involved; 4) the sophistication of the consumer; 5) the similarity in advertising; 6) the defendant's intent; and 7) the degree of actual confusion.<sup>92</sup> Because this is a balancing test, the plaintiffs need not show that all or even a majority of the factors weigh in their favor.<sup>93</sup>

The court in *Pebble Beach* first considered the strength and distinctiveness of the plaintiffs' marks.<sup>94</sup> This same inquiry is used when assessing whether a mark is valid and worthy of protection. In applying this inquiry, the court places the mark into one of four categories and, if necessary, determines whether the mark has achieved secondary meaning.<sup>95</sup> In determining the strength of the plaintiff's mark, the court takes the analysis one step further and looks to the effectiveness of the mark as a source indicator, as well as the degree of third party use of the same or similar marks.<sup>96</sup>

The court previously categorized the plaintiffs' marks and determined that they were valid and strong.<sup>97</sup> Tour 18 argued that

89. *Id.*

90. *Id.* at 1541-42.

91. *Id.* at 1542 (citing *Taco Cabana Int'l v. Two Pesos, Inc.*, 932 F.2d 1113, 1122 (5th Cir. 1991)).

92. *Id.*

93. *See, Armco, Inc. v. Armco Burglar Alarm Co.*, 693 F.2d 1155, 1159-60 (5th Cir. 1982).

94. *Pebble Beach*, 942 F. Supp. at 1542.

95. *See supra* note 50.

96. *Pebble Beach*, 942 F. Supp. at 1542.

97. *Id.* at 1537, 1539, 1541.

third party use of all the marks, including the Harbour Town lighthouse, weakened the strength of all the marks.<sup>98</sup> The court rejected this argument and said that the third party uses in this case were limited and not sufficiently widespread to weaken the strength of the marks.<sup>99</sup> All the marks were either arbitrary or had acquired strong secondary meaning. The evidence was insufficient to show that they had been weakened.<sup>100</sup> The court was also swayed by the fact that the defendant used the plaintiffs' marks extensively in an attempt to capitalize on the goodwill the marks had achieved.<sup>101</sup> Tour 18 relied on the strength of the plaintiffs' marks to sell its services.<sup>102</sup> Therefore, the strength of the mark weighed in the plaintiffs' favor.<sup>103</sup>

The second factor analyzes the similarity between the plaintiffs' service marks and the defendant's use of the marks.<sup>104</sup> This factor takes into account not just the visual similarity, but how consumers are likely to perceive the marks in the marketplace.<sup>105</sup> Tour 18 used the plaintiffs' marks extensively in advertising and promotion.<sup>106</sup> The marks were also used on scorecards, course signs, yardage guides, and restaurant menus.<sup>107</sup> When the marks were used, they were displayed prominently.<sup>108</sup> The plaintiffs' actual marks and the defendants use of the marks were identical except for the fact that

98. *Pebble Beach*, 942 F. Supp. at 1543. Tour 18 tried to argue that there were sufficient third party uses of "Pinehurst" to warrant a finding that the mark had been weakened. Tour 18 pointed to the use of the name in "Pinehurst National" and "Pinehurst Plantation." Tour 18 also pointed to evidence where other golf courses had used a lighthouse and a lighthouse logo. In both cases the court said that this was not sufficient to warrant a finding that the mark was weakened. Both Pinehurst and the Harbour Town lighthouse were strong source indicators.

99. *Pebble Beach*, 942 F. Supp. at 1543.

100. *Id.*

101. *Id.* at 1544.

102. *Id.*

103. *Id.* at 1543-44.

104. *Id.* at 1544.

105. *See, Lindy Pen Co., Inc. v. Bic Pen Corp.*, 725 F.2d 1240, 1245 (9th Cir. 1984) (the marks must be considered in light of the way the marks are encountered in the marketplace and the circumstances surrounding the purchase of plaintiff and defendant's services).

106. *Pebble Beach*, 942 F. Supp. at 1544.

107. *Id.*

108. *Id.*

Tour 18's replicated lighthouse was smaller than Harbour Town's original.<sup>109</sup> However, Tour 18's lighthouse was painted the same color and positioned on the same spot in relation to the golf hole as Harbour Town's.<sup>110</sup>

Tour 18 tried to defeat the claim that their use was similar to the actual marks by arguing that whenever they used the plaintiffs' marks or depicted the plaintiffs' hole designs, the Tour 18 logo was always used in conjunction with the other marks.<sup>111</sup> Although this does alleviate a likelihood of confusion as to a hole's source, it does not alleviate possible confusion as to sponsorship or permission.<sup>112</sup> The *Pebble Beach* court went even further and concluded that Tour 18's use of their logo in conjunction with the plaintiffs' marks actually added to the likelihood of confusion as to sponsorship or permission.<sup>113</sup> In effect Tour 18's argument hurt more than it helped.

The third factor the court considered was the degree of similarity between the products and services of the plaintiffs and the defendant.<sup>114</sup> It is a generally established rule that the more similar the products or services are, the greater the likelihood of confusion.<sup>115</sup> Tour 18 argued that its services were significantly different from the plaintiffs' services.<sup>116</sup> Tour 18 is a public golf course that charges a daily fee to play golf.<sup>117</sup> In contrast, the plaintiffs' facilities are exclusive, private resorts that cater to an elite group of customers.<sup>118</sup> The court agreed that there were differences between the plaintiffs' facilities and the defendant's golf course, but the bottom line for the court was that both the plaintiffs and the defendant provided golf services.<sup>119</sup> Based on this fact, the court found that the similarity

109. *Id.*

110. *Id.*

111. *Id.*

112. *Id.*

113. *Id.*

114. *Id.* at 1545.

115. *See, Exxon Corp. v. Texas Motor Exchange of Houston, Inc.*, 628 F.2d 500, 505 (5th Cir. 1980).

116. *Pebble Beach*, 942 F. Supp. at 1545.

117. *Id.*

118. *Id.* at 1545; fees for one round of golf at the plaintiffs' courses range from \$145 to \$195, this is compared to the fee of \$55 that Tour 18 charges per round.

119. *Pebble Beach*, 942 F. Supp. at 1545.

between products or services favored the plaintiffs.<sup>120</sup>

The court next considered the identity of the purchasers and service facilities.<sup>121</sup> The court focused on where the customers were likely to come from and the fact that many of the golfers who play Tour 18 are likely to have played on one of the plaintiffs' courses.<sup>122</sup> Tour 18 argued that their customers are mainly from the Houston area, while the plaintiffs' customers are wealthy tourists from all over the country.<sup>123</sup> According to Tour 18, this fact indicated that there was no likelihood of confusion among actual or potential customers.<sup>124</sup> The court found that based on the trial testimony of golfers, many played at Tour 18 and at the plaintiffs' courses.<sup>125</sup> This finding was supported by Tour 18's concept of replication and its extensive advertising.<sup>126</sup>

The fifth factor examined by the court, with respect to the likelihood of confusion, was the identity of the advertising media.<sup>127</sup> In its analysis of this factor, the court focused on the degree of similarity between the advertising campaigns of the plaintiffs and the defendant.<sup>128</sup> Generally, the greater the similarity between the advertising campaigns, the greater the chance that there will be customer confusion.<sup>129</sup> Tour 18 argued that their advertising campaign was different because it focused mainly on the Houston area while the plaintiffs advertised on a national level.<sup>130</sup> This argument failed because Tour 18 advertised in some national golf

120. *Id.* at 1546.

121. *Id.*

122. *Id.* at 1545-46.

123. *Id.* at 1546.

124. *Pebble Beach*, 942 F. Supp. at 1546.

125. *Id.* at 1546-48.

126. *Id.*

127. *Id.*

128. *Id.*

129. *See*, *Exxon Corp. v. Texas Motor Exchange of Houston, Inc.*, 628 F.2d 500, 506 (5th Cir. 1980).

130. *Pebble Beach*, 942 F. Supp. at 1546. Evidence showed that Tour 18 advertises in local trade magazines and newspapers including *Golf Coast Golfer*, *Metro Houston Golfer*, *Shell's Guide to Golf in Houston*, and the *Houston Chronicle*. The plaintiffs concentrate their advertising on national publications such as *Golf Digest*.

magazines.<sup>131</sup> The court recognized that Tour 18's advertising concentration was regional, but concluded that the course owners sought national exposure by advertising in national golf publications.<sup>132</sup> The court said there could also be a high likelihood of confusion on a regional level because the plaintiffs' national advertising efforts reached Texas and, more specifically, the Houston area.<sup>133</sup> Since the advertising campaigns overlapped, ads by all the parties were likely to be read by customers of both the plaintiffs and the defendant.<sup>134</sup> Under this reasoning, the court found in favor of the plaintiffs with respect to the identity of the advertising media.

The court next examined Tour 18's intentions in using the plaintiffs' marks.<sup>135</sup> There is strong evidence of a likelihood of confusion where a defendant uses a mark in order to obtain a benefit from the reputation and good will of the plaintiff.<sup>136</sup> A showing of intentional copying on the part of the defendant allows for an inference of confusion.<sup>137</sup> The facts in this case show that Tour 18 intentionally copied the plaintiffs' service marks in its advertisements and golf course designs.<sup>138</sup> Tour 18 argued that their uses of the plaintiffs' marks were to inform the public which replication they were playing.<sup>139</sup> In looking to Tour 18's intentions in copying the marks, the court focused on the fact that Tour 18 used the plaintiffs' marks frequently and prominently.<sup>140</sup> The court believed this went beyond the point of merely informing the public.<sup>141</sup> Tour 18's intent to capitalize on the good reputation of the plaintiffs was further

131. *Pebble Beach*, 942 F. Supp. at 1546. Tour 18 often places advertisements in *Golf Digest*.

132. *Id.*

133. *Id.*

134. *Id.*; *See also*, *Moore Business Forms, Inc. v. Ryu*, 960 F.2d 486, 490 (5th Cir. 1992) (where advertising campaigns overlap such that ads are likely to be read by customers of both the plaintiff and the defendant, the factor was met).

135. *Pebble Beach*, 942 F. Supp. at 1546.

136. *Blue Bell Bio-Medical v. Cin-Bad, Inc.*, 864 F.2d 1253, 1259 (5th Cir. 1989).

137. *AmBrit, Inc. v. Kraft, Inc.*, 805 F.2d 974, 985 (11th Cir. 1986).

138. *Pebble Beach*, 942 F. Supp. at 1546.

139. *Id.* at 1547.

140. *Id.*

141. *Id.*



evidenced by the fact that Tour 18 referred to the popular nicknames given to some of the holes, such as “the lighthouse hole.”<sup>142</sup> These nicknames contained the reputation and good will that the plaintiffs worked hard to build.<sup>143</sup> The court reasoned that use of nicknames is unnecessary if the true intent is to inform the public.<sup>144</sup> Therefore, the court ruled in favor of the plaintiffs with respect to this factor.<sup>145</sup>

Courts also consider any evidence of actual confusion in considering whether there is a likelihood of confusion.<sup>146</sup> Although proof of actual consumer confusion helps a plaintiff, actual confusion is not necessary to justify a finding of likelihood of confusion.<sup>147</sup> Evidence of actual confusion is usually shown by either testimonial evidence or survey evidence.<sup>148</sup> The plaintiffs used both testimonial and survey evidence to show that there was actual confusion as whether permission had been given to Tour 18 to use the plaintiffs’ marks.<sup>149</sup> Tour 18’s only recourse was to try to refute the survey methods employed by the plaintiffs.<sup>150</sup> Tour 18 attacked the control group used by the plaintiffs and argued that the survey only included past customers and did not include potential customers.<sup>151</sup> The court rejected this argument by stating that similar surveys have been upheld in the past when past customers are likely to be repeat customers.<sup>152</sup> The court noted that the plaintiffs’ survey included a question that asked if golfers were likely to play Tour 18 again.<sup>153</sup> The court went on to rule that the plaintiffs’ survey was proper given that their claim was based on the notion that Tour 18’s use of the service marks was to deceive Tour 18 golfers into believing that the

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142. *Id.*

143. *Pebble Beach*, 942 F. Supp. at 1547.

144. *Id.*

145. *Id.*

146. *Id.*

147. *See, Lois Sportswear v. Levi Strauss & Co.*, 799 F.2d 867, 875 (2d Cir. 1986).

148. *Pebble Beach*, 942 F. Supp. at 1547.

149. *Id.*

150. *Id.* at 1548.

151. *Id.* at 1549.

152. *Id.*

153. *Pebble Beach*, 942 F. Supp. at 1549.

plaintiffs gave their permission to Tour 18 to use their marks.<sup>154</sup> Given the fact that the survey methodology was found to be valid and that there was evidence of actual confusion, the court found in favor of the plaintiffs on the issue of actual confusion.<sup>155</sup>

Although not sufficient to convince the court, Tour 18's strongest argument was its use of disclaimers.<sup>156</sup> In determining whether there is a likelihood of confusion, courts can consider the effect of disclaimers.<sup>157</sup> The use of disclaimers can minimize or even eliminate the likelihood of confusion.<sup>158</sup> However, the use of disclaimers does not mean that there will be no likelihood of confusion.<sup>159</sup> To determine the effectiveness of disclaimers, the court looked to such factors as the content, size and location of the defendant's disclaimers.<sup>160</sup> Tour 18 placed disclaimers on brochures, advertisements and tee box signs.<sup>161</sup> Tour 18 argued that their disclaimers effectively dispelled any consumer confusion.<sup>162</sup> The court rejected this argument and concluded that Tour 18's disclaimers were ineffective.<sup>163</sup> Tour 18 did not put disclaimers on all or even most of their advertisements.<sup>164</sup> The ads that did include disclaimers were inconspicuous.<sup>165</sup> The disclaimers were written in small type and placed in obscure locations.<sup>166</sup> Additionally, Tour 18 did not place disclaimers in their press releases or in their restaurant menu.<sup>167</sup> The court considered all these facts and concluded that Tour 18's disclaimers failed to dispel the likelihood of confusion.

154. *Id.*

155. *Id.* at 1550.

156. *Id.*

157. *Id.*

158. *See, August Storck K.G. v. Nabisco, Inc.*, 59 F.3d 616, 618-619 (7th Cir. 1995).

159. *Pebble Beach*, 942 F. Supp at 1550.

160. *Id.* at 1551.

161. *Id.*

162. *Id.*

163. *Id.*

164. *Pebble Beach*, 942 F. Supp. at 1551.

165. *Id.*

166. *Id.*

167. *Id.*

*B. Trade Dress Infringement*

The plaintiffs claimed that Tour 18's copying of their golf hole designs, as well as the use of the Harbour Town lighthouse, were trade dress infringements and unfair competition in violation of the Lanham Act.<sup>168</sup> The trade dresses at issue included the shapes and dimensions of the plaintiffs' holes, the placement of obstacles, the slope and elevation of the holes, and in the case of Harbour Town, the design and appearance of the lighthouse.<sup>169</sup>

Courts use a two-step analysis to determine if there is trade dress infringement.<sup>170</sup> First, courts determine whether a plaintiff's trade dress qualifies for protection.<sup>171</sup> The courts look to the distinctiveness of the trade dress, secondary meaning, and functionality when considering whether a particular dress qualifies for protection.<sup>172</sup> Once a court determines that a trade dress is protectable, the court analyzes whether there is a likelihood of confusion.<sup>173</sup> The likelihood of confusion analysis for trade dress infringement is identical to the likelihood of confusion analysis used for service mark infringement.<sup>174</sup>

The *Pebble Beach* court first considered functionality in analyzing the trade dress infringement issue. If a design or trade dress is deemed functional, it cannot receive protection under the Lanham Act.<sup>175</sup> In the past, courts articulated different variations of the same test to determine functionality. The *Pebble Beach* court used a test defined in *Qualitex Co. v. Jacobson Products Co., Inc.*<sup>176</sup> In that case, the court stated that functionality was dependent upon two factors.<sup>177</sup> The court looked at whether a design was essential to the

168. See, 15 U.S.C. § 1125(a) (1996).

169. *Pebble Beach*, 942 F. Supp. at 1555.

170. See, *Blue Bell Bio-Medical v. Cin-Bad, Inc.*, 864 F.2d 1253, 1256 (5th Cir. 1989); *Sno-Wizard Mfg. v. Eisemann Products Co.*, 791 F.2d 423, 425-26 (5th Cir. 1986); *Sicilia Di R. Biebow & Co. v. Cox*, 732 F.2d 417, 425 (5th Cir. 1984).

171. *Blue Bell Bio-Medical*, 864 F.2d at 1256.

172. *Pebble Beach*, 942 F. Supp. at 1555.

173. *Id.*

174. *Id.*

175. *Pebble Beach*, 942 F. Supp. at 1555.

176. 514 U.S. 159, 162 (1995).

177. *Id.*

use or purpose of the article and whether allowing the plaintiff exclusive use of the design would inhibit competition.<sup>178</sup>

Tour 18 argued that the plaintiffs' hole designs were functional, and thus, not entitled to protection.<sup>179</sup> Tour 18 argued for a finding of functionality. It pointed to the individual design features of each golf hole.<sup>180</sup> However, the court was more swayed by the plaintiffs' argument. The plaintiff sought protection for their particular combinations of individual design features.<sup>181</sup> The court analyzed functionality in terms of the plaintiffs' hole designs viewed in their entirety.<sup>182</sup> Using this as a basis for the analysis, the court ruled that the plaintiffs' hole designs were not functional.<sup>183</sup> The court reasoned that there were virtually an unlimited number of ways to design a golf hole that is both aesthetically pleasing and challenging to the golfer.<sup>184</sup> This finding of non-functionality simply means that the design or trade dress is capable of being protected.<sup>185</sup> A design must still be distinctive or have acquired secondary meaning to receive protection under the Lanham Act.<sup>186</sup>

The court next considered whether or not the trade dress of the hole designs and lighthouse were inherently distinctive.<sup>187</sup> A finding of inherent distinctiveness, coupled with a finding of non-functionality, gives a particular trade dress or design protection under the Lanham Act.<sup>188</sup> A particular dress or design will be deemed inherently distinctive if it serves as source indicator of a product.<sup>189</sup> To make a determination of inherent distinctiveness, the court uses the same categorization process it would use to determine if a service mark was worthy of protection.<sup>190</sup>

178. *Id.*

179. *Pebble Beach*, 942 F. Supp. at 1555.

180. *Id.*

181. *Id.* at 1556.

182. *Id.*

183. *Id.*

184. *Pebble Beach*, 942 F. Supp. at 1556.

185. *Id.*

186. *Id.*

187. *Id.*

188. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768-69 (1972).

189. *Id.* at 768-69.

190. *See supra* note 50.

Tour 18 argued that the plaintiffs' trade dresses were descriptive and could only be protected on a showing of secondary meaning.<sup>191</sup> The plaintiffs argued that their trade dresses were arbitrary and protectable, even absent a showing of secondary meaning.<sup>192</sup> The court was more persuaded by Tour 18's argument with respect to Pebble Beach and Pinehurst because nothing on the Pebble Beach or Pinehurst golf holes served as a source indicator.<sup>193</sup> While the holes were challenging and aesthetically pleasing there was nothing arbitrary or even suggestive about them.<sup>194</sup> Based on this finding, the hole designs of Pebble Beach and Pinehurst could not receive protection without a finding of secondary meaning.<sup>195</sup>

The court did not follow this line of reasoning with respect to Harbour Town.<sup>196</sup> Harbour Town's hole eighteen, according to the court, was inherently distinctive.<sup>197</sup> Harbour Town's hole eighteen contains, as part of the hole design, the lighthouse. The lighthouse has come to serve as a source indicator for the hole.<sup>198</sup> When golfers see the red and white striped lighthouse, they think of the Harbour Town golf course.<sup>199</sup> Golfers have become so familiar with hole eighteen and the lighthouse that they have nicknamed the hole the "lighthouse hole."<sup>200</sup> Based on the strength of the lighthouse as a source indicator, the court ruled that the design of Harbour Town hole eighteen was inherently distinctive and protectable even absent a showing of secondary meaning.<sup>201</sup>

After determining that the hole designs of Pebble Beach and Pinehurst were not inherently distinctive, the court analyzed the designs in terms of whether or not they had acquired secondary meaning.<sup>202</sup> These designs could only receive protection on a

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191. *Pebble Beach*, 942 F. Supp. at 1557.

192. *Id.*

193. *Id.*

194. *Id.*

195. *Id.* at 1558.

196. *Pebble Beach*, 942 F. Supp. at 1558.

197. *Id.*

198. *Id.*

199. *Id.*

200. *Id.* at 1531.

201. *Pebble Beach*, 942 F. Supp. at 1559.

202. *Id.*

showing of secondary meaning.<sup>203</sup> The court used the same inquiry to determine secondary meaning in trade dress as it did in determining secondary meaning in service marks.<sup>204</sup> Factors such as the duration of the design's use, the extent of advertising which emphasizes the design, and the defendant's intent in copying the design are all relevant to determine secondary meaning.<sup>205</sup>

Upon weighing the above mentioned factors, the court found that there was no secondary meaning in the hole designs of Pebble Beach and Pinehurst.<sup>206</sup> Although both Pebble Beach and Pinehurst had extensive advertising campaigns, the court concluded that this was insufficient to warrant a finding of secondary meaning in their individual hole designs.<sup>207</sup> Neither Pebble Beach nor Pinehurst featured the designs at issue in their respective advertising campaigns.<sup>208</sup> In addition, both courses had other holes that were their "signature holes."<sup>209</sup> The court contrasted this with Sea Pines' emphasis on Harbour Town hole eighteen in all of its advertising campaigns.<sup>210</sup>

The court also considered Tour 18's intentions in copying the hole designs of Pebble Beach and Pinehurst.<sup>211</sup> Evidence of intentional copying can lead to a finding of secondary meaning.<sup>212</sup> However, it is only one of many factors, and not the decisive factor to be considered.<sup>213</sup> While it was undisputed that Tour 18 intentionally copied the hole designs of all the plaintiffs, the court found greater

203. *Id.* at 1558. .

204. *Id.* at 1539. Factors the court considers in determining secondary meaning for a service mark include the length and manner of use of the mark by the plaintiff; the extent of advertising and promotion of the mark; efforts to promote a connection between the mark and the services provided; and the defendant's intent in copying the mark.

205. *Pebble Beach*, 942 F. Supp. at 1559. *See also*, *Duraco Products, Inc. v. Joy Plastic Enter., Ltd.*, 40 F.3d 1431, 1452-53 (3d Cir. 1994).

206. *Pebble Beach*, 942 F. Supp. at 1561.

207. *Id.* at 1560.

208. *Id.*

209. *Id.*

210. *Id.*

211. *Pebble Beach*, 942 F. Supp. at 1560.

212. *See Bristol-Myers Squibb Co. v. McNeil-P.P.C. Inc.*, 973 F.2d 1033, 1041 (2d Cir. 1992).

213. *Id.*

significance in that neither Pebble Beach nor Pinehurst's promotional campaigns focused on the holes at issue.<sup>214</sup>

Because the court held that Pebble Beach and Pinehurst failed to show inherent distinctiveness or secondary meaning in their hole designs, only the design of Harbour Town hole eighteen was analyzed to determine whether Tour 18 was liable for trade dress infringement.<sup>215</sup> A defendant is liable for trade dress infringement if there is a likelihood of confusion.<sup>216</sup> The court balanced the same factors used in determining the likelihood of confusion for service mark infringement.<sup>217</sup> The court had already found a likelihood of confusion as to Tour 18's use of Sea Pine's Harbour Town service marks, and since the analysis is identical for trade dress, the court ruled in favor of Sea Pines on the claim of trade dress infringement under the Lanham Act.<sup>218</sup>

In addition to the service mark infringement and trade dress infringement claims, the plaintiffs also brought a claim of false advertising against Tour 18.<sup>219</sup> They claimed that Tour 18's use of terms, such as "replication" and "copy", were likely to lead customers to believe that Tour 18's holes were exact copies of the originals.<sup>220</sup> The court dismissed this claim concluding that there was no literal falsity in Tour 18 calling their holes replications or copies.<sup>221</sup> The court also dismissed the claim based on the fact that holding Tour 18's holes out as replications or copies was unlikely to deceive customers.<sup>222</sup>

The plaintiffs also brought a cause of action under the Texas anti-

214. *Pebble Beach*, 942 F. Supp. at 1560.

215. *Id.* at 1561.

216. *Id.*

217. *See supra* note 79 at 1561. The court may consider: the strength of the plaintiff's trade dress; the degree of similarity between the plaintiff's and defendant's trade dress; the similarity between the plaintiff's and defendant's services; the identity of the customers; the similarity between the advertising; the defendant's intent in copying the trade dress; and any evidence of actual confusion.

218. *Pebble Beach*, 942 F. Supp. at 1561.

219. *Id.* at 1562.

220. *Id.*

221. *Id.*

222. *Id.*

dilution statute.<sup>223</sup> The court used the same analysis in the dilution claim as it did in determining service mark and trade dress infringement.<sup>224</sup> The only difference was that the court analyzed the likelihood of dilution rather than the likelihood of confusion.<sup>225</sup> The court found, with respect to their service marks, there was evidence of blurring.<sup>226</sup> With respect to the plaintiffs' trade dresses, only Harbour Town had a valid claim under the anti-dilution statute because only Sea Pines's design of Harbour Town hole eighteen was determined to be distinctive.<sup>227</sup>

### C. Remedies

Having determined that Tour 18 was liable, at least in some form, to all three plaintiffs, the court needed to fashion a remedy for each plaintiff. The plaintiffs sought damages, attorney's fees, and injunctive relief.<sup>228</sup> The court found no evidentiary support to warrant an award of actual damages to the plaintiffs.<sup>229</sup> Under the Lanham Act, attorneys fees can only be awarded in "exceptional cases."<sup>230</sup> Courts have defined "exceptional" to mean bad faith on the part of the defendant.<sup>231</sup> Since there was no evidence of bad faith on the part of Tour 18, an award of attorney's fees was not appropriate.<sup>232</sup>

Injunctive relief was the only available remedy.<sup>233</sup> Tour 18 was enjoined from using the names "Pebble Beach," "Pinehurst" and

223. *Id.* at 1563.

224. *Id.* at 1564. The court first asked if the mark was distinctive and worthy of protection. Having made the determination before, the court ruled that all three marks and the lighthouse were distinctive. Next the court determines whether there is a likelihood of dilution through either tarnishment of the mark or blurring.

225. *Pebble Beach*, 942 F. Supp. at 1564. The court analyzed likelihood of dilution in terms of tarnishment and blurring. The court found in favor of Tour 18 on the tarnishment claim. However, the court determined that the plaintiffs had proved their case with respect to the blurring of their service marks.

226. *Id.* at 1567.

227. *Id.*

228. *Pebble Beach*, 942 F. Supp. at 1571.

229. *Id.*

230. 15 U.S.C. § 1117 (1996).

231. *Seven-Up v. Coca-Cola Co.*, 86 F.3d 1379, 1390 (5th Cir. 1996).

232. *Pebble Beach*, 942 F. Supp. at 1572.

233. *Id.* at 1572.



“Harbour Town” in all contexts except comparative advertising.<sup>234</sup> According to the court, this meant that Tour 18 could only use the names in conjunction with a prominent and clear disclaimer.<sup>235</sup>

Tour 18 was not enjoined from copying the hole designs of Pebble Beach or Pinehurst, but it was enjoined from using or constructing a trade dress or lighthouse that was confusingly similar to the trade dress of Harbour Town hole eighteen.<sup>236</sup> Tour 18 was also required to take corrective action to alleviate the confusion that had already been caused.<sup>237</sup>

### III. CONCLUSION

At first glance, Tour 18's idea seemed to be a business venture that could not lose. The developers of Tour 18, however, lost more than they ever imagined. In effect, the court stripped Tour 18 of the very essence of its idea. Even though the court followed a firmly established test, it read the likelihood of confusion doctrine very broadly. Allowing the likelihood of confusion as to permission actionable, even with the presence of disclaimers, the court gave senior users of a mark, such as the plaintiffs in this case, a great deal of power over junior users. Tour 18's allowable use of the plaintiffs' service marks and hole designs were greatly diminished as a result of the court's decision. This was done even though the harm to the plaintiffs, as a result of Tour 18's original use of their marks, would be minimal at best. The standard the court adopted gave a service mark or trade dress owner much greater protection against unauthorized use at the expense of the junior user.

*Katherine Watson*

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234. *Id.* at 1572-73.

235. *Id.* at 1573.

236. *Id.*

237. *Id.*